



California Fair Political Practices Commission

March 7, 1989

Christopher Stewart
6312 E. Santa Ana Canyon Rd., Ste. 341
Anaheim Hills, CA 92807

Re: Your Request for Informal
Assistance
Our File No. I-89-053

Dear Mr. Stewart:

You have requested assistance concerning the campaign provisions of the Political Reform Act,^{1/} particularly with regard to the provisions added by Proposition 73, which was passed by the voters in the June 1988 Primary Election.

Your summary of the requirement in Section 85201(e) that all campaign expenditures made on behalf of a candidate must be made from the candidate's campaign account is correct. That is, payments made to a vendor for work which is being subcontracted through a campaign consultant must be paid directly from the candidate's campaign account. (See Lopez Advice Letter, No. A-89-029 (copy enclosed).)

In light of Section 85201(e), you have asked how a campaign consultant should handle in-house expenses incurred on behalf of a candidate (e.g., telephone bills, copying, faxing). As stated in the Lopez advice letter, there currently is nothing in the provisions added by Proposition 73 that allows a consultant to be reimbursed for such expenses. Therefore, the consultant may need

^{1/}Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise indicated. Commission regulations appear at 2 California Code of Regulations Section 18000, et seq. All references to regulations are to Title 2, Division 6 of the California Code of Regulations.

Your letter states only a general question. Therefore, we consider it to be a request for informal assistance pursuant to Regulation 18329(c) (copy enclosed). Informal assistance does not provide the requestor with the immunity provided by an opinion or formal written advice. (Section 83114; Regulation 18329(c)(3).)


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to estimate and build such costs into the consulting fees charged to the candidate.

I hope this information is helpful. Please do not hesitate to call me at (916) 322-5662 if you have additional questions.

Sincerely,

Diane M. Griffiths
General Counsel


By: Carla Wardlow
Political Reform Consultant

Enclosures

January 25, 1989

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JAN 27 3 04 PM '89

Ms. Diane Griffiths
Legal Division
Fair Political Practices Commission
428 'J' Street, Suite 800
Sacramento, CA 95814

Dear Ms. Griffiths

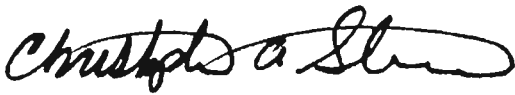
Through a conversation with a colleague of mine I learned of a new ruling pertaining to Proposition 73 dealing with disbursements of funds. Therefore, I would like to clarify the issue post-haste that is contained in Section 85201(e) that states "all campaign expenditures shall be made from the account". It is my understanding that your office has interpreted this to require separate payments to candidates campaign consultant and his/her vendor. For example; A consultant is retained by a candidate for services and these services require the use of a third party or vendor(ie. printer, mailhouse or advertising) and the candidate must make separate checks to each party even though the work is being subcontracted through the consultant. My question arises to how one should handle expenses incurred by a consultant on behalf of a candidate, such as phone bills, xeroxing, faxing, etc?

I may be reached for questions or response at the following address:

Chris Stewart
6312 E. Santa Ana Canyon Road, Suite 341
Anaheim Hills, CA 92807
714-777-0311

Thank you for your assistance and timely response.

Sincerely,



Christopher Stewart